

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

August 24, 1999

IN RE:)	
)	
PETITION OF COMMUNITY TELEPHONE)	DOCKET NO. 99-00362
COMPANY FOR APPROVAL OF AN)	
INTRALATA TOLL DIALING PARITY PLAN)	

**ORDER APPROVING THE INTRALATA TOLL DIALING PARITY
IMPLEMENTATION PLAN**

This matter came before the Tennessee Regulatory Authority (the "Authority") on July 13, 1999, at a regularly scheduled Authority Conference, to consider the Petition of Community Telephone Corporation ("Community Telephone") for approval of an IntraLATA Toll Dialing Parity Implementation Plan ("the Plan").

Section 251(b) of the Telecommunications Act of 1996 ("the Act") requires all Local Exchange Carriers to provide dialing parity.¹ Specifically, section 251 (b)(3) of the Act states, "Dialing Parity - The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays." The Act further states in sections 251(f)(1) and 251(f)(2) that a rural telephone company may file with the state commission for exemption, suspension or modification of the dialing parity requirements.

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, (February 8, 1996), codified at 47 U.S.C. §§151 *et seq.*

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The Federal Communications Commission ("FCC") initiated a rulemaking on dialing parity on April 19, 1996 and issued its findings in FCC 96-333 Order (Docket 96-98) adopted on August 8, 1996. This Order sets forth the criteria and guidelines for filing of a plan by all carriers. Subsequent to this Order the United States Court of Appeals for the Eighth Circuit vacated the FCC's rules, as they were applicable to intrastate services.² On January 25, 1999, the United States Supreme Court reversed certain portions of the Eighth Circuit's decision including that part of the decision which had stricken the FCC's rules pertaining to dialing parity.³

The FCC's original date for implementation, February 8, 1999, was reinstated by the Supreme Court's decision of January 25, 1999. As a result of this reinstatement, the FCC released FCC 99-54 Order (Docket 96-98) on March 23, 1999, which set forth revised implementation dates for dialing parity. This Order establishes April 22, 1999 as the new date by which all Local Exchange Carriers must file an IntraLATA Toll Dialing Parity Plan with State Commissions for approval. The Plan must be implemented within thirty (30) days after approval from the State Commission. Additionally, the Order states that the Plan must be filed with the Common Carrier Bureau of the FCC if the State Commission has not acted on the Plan by June 22, 1999.

Community Telephone is certified to operate pursuant to Rule 1220-4-2-.57 as a reseller of telecommunications services in Tennessee. Pursuant to 47 C.F.R. § 51.213, Community Telephone is required to file a plan with the Authority that provides for implementing intraLATA toll dialing parity in the exchanges in Tennessee where service is provided.⁴ This plan must allow

² FCC v. Iowa Utils. Bd., United States Court of Appeals for the Eighth Circuit, July 18, 1997.

³ AT&T v. Iowa Utils. Bd., 119 S.Ct. 721 (1999).

⁴ Under 47 C.F.R. §51.213, the Federal Communication Commission requires that an IntraLATA toll dialing parity plan contain: (1) a proposal that explains how the local exchange carrier will offer intraLATA toll dialing parity for each exchange that such carrier operates in the state, in accordance with the provisions of this section, and a proposed time schedule for implementation; and (2) a proposal for timely notification to its subscribers and the methods it proposes to use to enable each subscriber to affirmatively select an intraLATA toll service provider. The state commission must approve any such plan prior to implementation.

customers to pre-subscribe to different carriers for local service, intraLATA toll service and interLATA toll service.⁵

Community Telephone filed an intraLATA toll dialing plan on May 21, 1999 with a final amendment on June 22, 1999. The amended Plan, attached hereto as Exhibits A, is fully incorporated herein by this reference. Community Telephone plans to commence offering local exchange service in Tennessee sometime in the first quarter of 2000.

The Directors considered this plan at the July 13, 1999 Authority Conference and determined that the Plan, as amended, satisfies the requirements set forth by the FCC in Docket 96-98, FCC Order 96-333 and FCC Order 99-54.⁶ The Plan provides for a method that enables customers to select alternate providers of telephone toll service and a method that allows customers to choose different carriers for interLATA and intraLATA service. Community Telephone proposes to gather data to develop a cost recovery rate. The Directors unanimously voted to approve the Community Telephone intraLATA toll dialing parity plan, as amended, with the requirement that the petitioners comply with all applicable sections of FCC Order 96-333 upon implementation of intraLATA equal access. Further, the Directors ordered Community Telephone to file their incremental cost recovery plans with this Authority for approval sixty (60) days prior to implementing a cost recovery method.

IT IS THEREFORE ORDERED THAT:

1. The amended Plan of Community Telephone Corp., a copy of which is attached as Exhibit A, is hereby approved and incorporated in this Order as if fully rewritten herein;

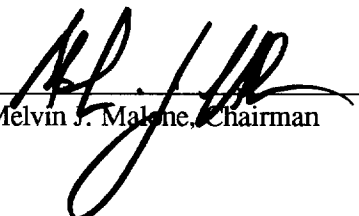
⁵ Pre-subscription allows the customer to place a call without dialing an access code.

⁶ FCC Order 96-333, released August 8, 1996, sets forth the requirements for implementation of IntraLATA Toll Dialing Parity. FCC Order 99-54, released March 23, 1999, extends to June 22, 1999 the deadline for state commissions to act on a LEC's IntraLATA Toll Dialing Parity Plan.

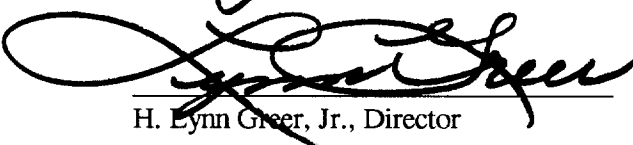
2. Community Telephone Corporation file its incremental cost recovery plans with this Authority for approval sixty (60) days prior to implementing a cost recovery method;

3. Community Telephone Corp. shall comply with all applicable sections of FCC Order 96-333 upon implementing IntraLATA equal access; and

4. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.



Melvin J. Malone, Chairman

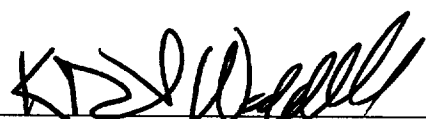


H. Lynn Greer, Jr., Director



Sara Kyle, Director

ATTEST:



K. David Waddell, Executive Secretary

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COMPETITIVE COMMUNICATIONS GROUP

June 21, 1999

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REC'D TN
REGULATORY AUTH.
OFFICE OF THE
EXECUTIVE SECRETARY

David Wadell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

RE: Amended IntraLATA Toll Dialing Parity Plan

99-00362

The accompanying amended IntraLATA Dialing Parity Plan, issued by Community Telephone Corporation (Company) is sent to you for filing in compliance with the review of Mr. Carsie Mundy with TRA.

An original and thirteen copies are enclosed. Additionally, a SASE and a return stamp copy of this transmittal letter are enclosed to confirm receipt of this filing. Questions concerning this filing may be directed to the undersigned on 301/ 842-1437.

Respectfully submitted,

Terri K. Firestein

Terri K. Firestein
Consultant
on behalf of

Community Telephone Corporation

Enclosures

cc: John Greenbank
Community Telephone Corporation

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Application of Community Telephone Corporation for Approval of
IntraLATA Toll Dialing Parity Plan Pursuant to FCC Order
FCC 99-54, CC Docket No. 96-98, Released March 23, 1999

Community Telephone Corporation

May 17, 1999

AMENDED June 11, 1999

AMENDED June 21, 1999

Community Telephone Corporation IntraLATA Toll Dialing Parity Plan

I. OBJECTIVE/PURPOSE

In Compliance with the Federal Communications Commission ("FCC") rules delineated in 47 C.F.R. Sections 51.207 through 51.215, Community Telephone Corporation ("the Company") files its plan for implementing intraLATA toll dialing parity ("the Plan") in areas of the State in which the Company is certified to provide local exchange service.

The intent of the Plan is to permit customers to select and subsequently to route intraLATA toll calls automatically without the use of access codes, to the interexchange carriers ("IXC") that have established themselves as Access Customers of the Company ("Participating Carrier").

This Plan will be effective in all exchanges the Company will provide local exchange service in. These exchanges will be located in the 468, 470, 472, 474 and 956 Tennessee LATAs.

II. IMPLEMENTATION SCHEDULE

The Company intends to offer dialing parity for intraLATA calls upon implementation of local exchange service in the State.

III. CARRIER SELECTION PROCEDURES

The Company will implement the full 2-PIC carrier selection methodology. With the full 2-PIC methodology, customers will be able to subscribe to one Participating Carrier for their interLATA toll calls and to subscribe to the same or a different Participating Carrier for their intraLATA toll calls.

Company employee's who communicate with the public, accept service orders and serve in customer service capacities will be trained to explain the availability of 2-PIC Equal Access, and to assist customers in making an initial PIC selection or in changing a PIC selection.

IV. CARRIER NOTIFICATION

An IXC that desires to become an Access Customer and Participating Carrier shall notify the Company by requesting and completing the Carrier Participation Form. The request for this Form may be made by telephone or e-mail to the designated Company carrier relations contact. Once the Carrier Participation Form has been returned to the Company and an Access Service Request has been processed, that carrier will be added to the alphabetical list of Participating Carriers maintained in each business office.

V. CUSTOMER EDUCATION and NOTIFICATION

Customers will receive information explaining their opportunity to select an intraLATA toll service provider a minimum of thirty (30) days in advance of the offering of intraLATA toll dialing parity via a bill message or insert. The Company anticipates that promotional strategies by intraLATA toll service providers will contribute to Customer awareness of intraLATA toll dialing parity. Customer Telephone Directories will be updated as new editions are published to reflect the opportunity for Customers to select an intraLATA toll service provider.

Community Telephone Corporation IntraLATA Toll Dialing Parity Plan

VI. CUSTOMER SELECTION PROCESS

Customers contacting the Company requesting local exchange service will be informed of the opportunity to select both an intraLATA and interLATA PIC at no charge. If requested by the customer, the Company will provide an alphabetical list of Participating Carriers. Customers who do not make an affirmative selection of an intraLATA toll service provider will be identified in the Company records as a "no-PIC" and will not be defaulted to a toll service provider. New customers identified in the Company records as "no-PIC" will be required to dial the access code 101XXXX where XXXX represents the identification code of the carrier they desire to use. The use of the access code will be required for placement of each intraLATA toll call until they make an affirmative selection.

VII. INITIAL PIC REQUEST

A customer's initial PIC request will be made at no charge for the first six (6) months after intraLATA subscription service becomes available. After the initial six (6) months, the Company will charge customers the intraLATA PIC Change Charge at tariffed rates. An initial application of "no-PIC" will, for purposes of applying the PIC Change Charge, be viewed as an affirmative PIC selection.

VIII. PIC CHANGE REQUEST FROM A CUSTOMER

A customer's request to change his/her current intraLATA PIC will be accepted and processed by the Company in accordance with current FCC PIC change procedures. The customer will incur a non-recurring PIC Change Charge of \$ 5.00. This charge will be tariffed prior to implementation.

IX. PIC CHANGE REQUEST FROM A PARTICIPATING CARRIER

A customer's request to change his/her current intraLATA PIC received by the Company from a Participating Carrier on behalf of said customer will be accepted and processed by the Company in accordance with current FCC PIC change procedures. The customer will incur a non-recurring PIC Change Charge of \$ 5.00. This charge will be tariffed prior to implementation.

X. ACCESS to OPERATOR SERVICES and DIRECTORY ASSISTANCE

Access to Operator Services and Directory Assistance will continue to be available through the Customer's local exchange service provider or interLATA toll service provider. No industry standard has been established for access to Operator Services and Directory Assistance unique to the intraLATA toll service provider. For Operator Services, Customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, Customers dial "1-411" in the Company's service territory for accessing the local exchange Directory Assistance and Customers dial "1-NPA-555-1212" for accessing their interLATA toll service provider's Directory Assistance.

The local and interLATA Operator Services and Directory Assistance may be branded by the local and interLATA service providers, as appropriate, based on the dialing pattern of the Customer. Since no unique intraLATA dialing pattern currently exist in the industry, the Company is not capable of identifying intraLATA calls to the Company's or the interLATA toll service providers operators or directory assistance representatives. As such, this procedure is considered in compliance with FCC Order No. 96-333, Rule 51-217(d).

Community Telephone Corporation IntraLATA Toll Dialing Parity Plan

XI. ANTI-SLAMMING PROCEDURES

The Company will enforce the FCC slamming rules currently in place from the December 23, 1998 Second Report and Order, CC Docket No. 94-129 pertaining to PIC Verifications and Preferred Carrier Freezes. The Company anticipates enforcing the FCC slamming liability rules recently stayed by the U.S. Court of Appeals for the District of Columbia upon FCC and Court action and approval.

XII. COST RECOVERY

As stated in section 51.215 of FCC Order 96-333, CC Docket No. 96-98, "a LEC may recover the incremental costs necessary for the implementation of toll dialing parity. The LEC must recover such costs from all providers of telephone exchange service and telephone toll service in the area served by the LEC, including that LEC." The incremental costs associated with implementing toll dialing parity by the Company include:

1. training for Business Office, Marketing, Carrier Services, Customer Services and Service Center personnel
2. customer notification (bill message and bill insert)
3. implementation activity

The Company proposes to recoup the incremental cost of implementing intraLATA dialing parity over a period of twelve months. A cost recovery per minute rate will be developed based on the identified cost divided by the total of all participating carrier's originating minutes of use, which will include the Company's intraLATA toll minutes. The result will be an amount to be added (add) to the intraLATA Carrier Common Line (CCL) rate element. The adder will be developed 180 days after implementation of local exchange service in the State.

Carrier's who enter the market after implementation will be assessed the adder in the same manner as other Participating Carriers.

XIII. CONCLUSION

The Company will comply with all applicable rules of the FCC and of TRA.